



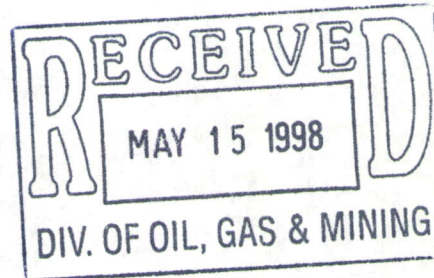
U. S. States Department of Interior

BUREAU OF LAND MANAGEMENT
HOUSE RANGE/WARM SPRINGS RESOURCE AREA
35 East 500 North
Fillmore, UT 84631



IN REPLY REFER TO:
3800
(U-054)
UTU-063447-01

CERTIFIED MAIL # Z 432 442 583
RETURN RECEIPT REQUESTED



May 13, 1998

C DANIEL ROBERTS
BANKRUPTCY TRUSTEE
415 WESTLAKE PLACE
1515 CAPITAL OF TEXAS
HIGHWAY SOUTH
AUSTIN TX 78746

Dear Mr. Roberts:

On April 30, 1998, Sheri Wysong of this office and two representatives of the Utah State Attorney General, Natural Resources Division, Dan Moquin and Patrick O'Hara, conducted a joint inspection of Jumbo Mining Company's Drum Mine (Bankruptcy Case No. 97-14326FRM.). Upon the inspection, it was noted that the large overhead door of the plant building was halfway open, and that 20 two-hundred pound barrels of cyanide were sitting a few feet within the door.

Since Jumbo Mining Company declared bankruptcy in November, 1997, the plant site has had no watchman and very little surveillance. The cyanide is vulnerable to both malicious and innocent tampering by the public. Such a situation is a violation of the following regulations:

43 CFR 3809.3-5 "During all operations, the operator shall maintain his structures, equipment, and other facilities in a safe and orderly manner."

3809.3-7 "All operators shall maintain the site, structures and other facilities of the operations in a safe and clean condition during any non-operating periods."

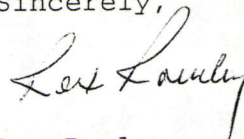
On May 1, 1998, Sheri Wysong spoke with Greg Milligan of your office and informed him that the barrels must be secured immediately. Mr. Milligan requested 30 days to mitigate the liability. We will grant that request, and allow until June 8, 1998 for you to remove the material from the site, *provided the door to the plant is shut and secured.* On May 11, 1998, Sheri Wysong and Dave Hartshorn attempted to close the door, but were unable to do so. The door must be closed and secured by May 20, 1998, or we will remove the cyanide and submit a claim to recover our costs of doing so.

We have also become aware that the powder magazine on site still contains ammonium nitrate, fuses, cord, and boosters. These are also an unacceptable liability on the public lands and must also be removed by June 8, 1998. If you have not removed the cyanide, ammonium

nitrate, and other items by June 8, 1998, we will remove these items ourselves and submit a claim to recover the costs associated with this removal action.

If you have any questions, please feel free to contact me at (435) 743-3100.

Sincerely,

A handwritten signature in cursive script, appearing to read "Rex Rowley".

Rex Rowley
Area Manager

cc: Wayne Hedberg, UDOGM
Dan Moquin, Utah State Attorney General, Natural Resources
Division
Bruce Hill, Office of the Solicitor